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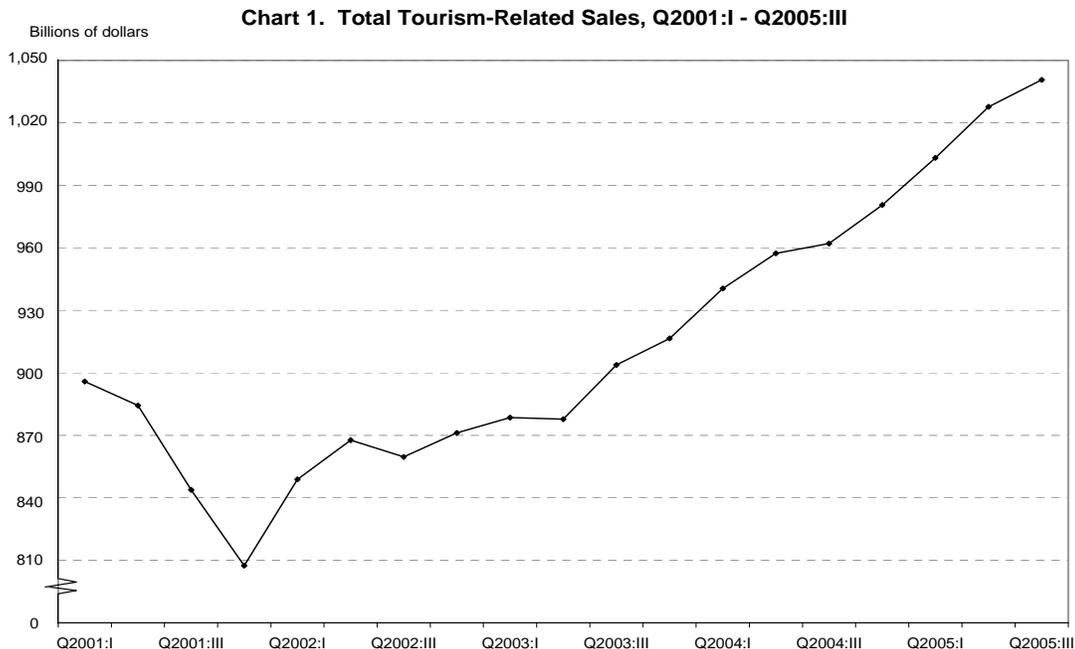
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BEA 05-55

**TOTAL TOURISM-RELATED SALES GREW  
5.1 PERCENT IN THIRD QUARTER 2005**

*Total Tourism-Related Employment Up 1.7 Percent in Second Quarter*

Total sales of tourism-related goods and services grew at a seasonally adjusted annual rate of 5.1 percent in the third quarter of 2005 to \$1.041 trillion, according to preliminary estimates of the U.S. Bureau of Economic Analysis. Approximately one-half of this growth in sales value is attributable to higher gasoline prices. In the second quarter of 2005, total tourism-related sales grew 10.1 percent (revised).



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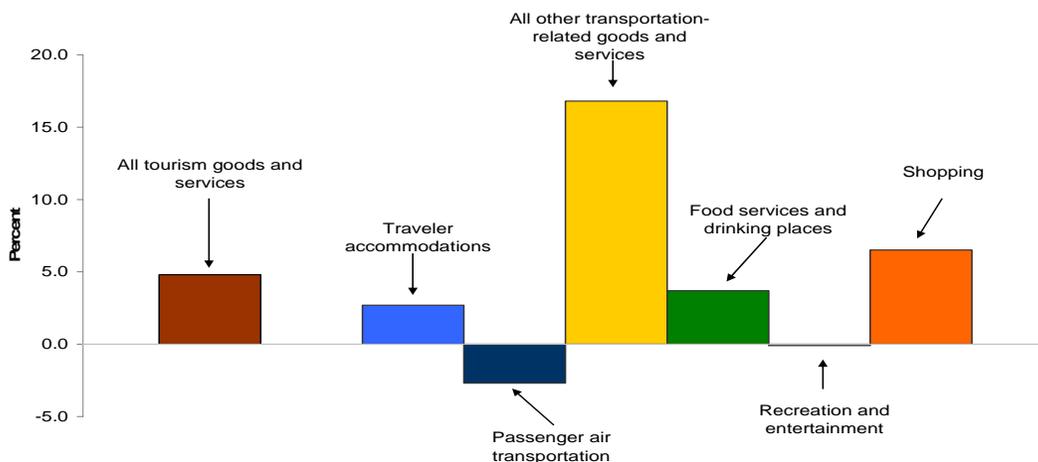
Total tourism-related employment grew at 1.7 percent (seasonally adjusted at an annual rate) in the second quarter of 2005, the most recent quarter for which data are available. In the first quarter of 2005, total tourism-related employment grew 1.5 percent (revised).



### Direct Tourism Sales

In the third quarter of 2005, total tourism-related sales consisted of \$596.0 billion of direct tourism sales – sales of goods and services sold directly to visitors, and \$444.7 billion of indirect tourism sales – sales of the goods and services used to produce what visitors buy. Growth in direct tourism sales was led by a 16.8 percent increase in ‘all other transportation-related goods and services’, and most of this growth was due to a very large increase in the price of gasoline. (Retail purchases of gasoline by travelers are included in BEA’s estimates of tourism-related sales.) Sales of ‘shopping’ (purchases of souvenirs and other merchandise by travelers), ‘food services and drinking places’, and ‘traveler accommodations’ all made more modest contributions, growing at rates of 6.5 percent, 3.7 percent, and 2.7 percent, respectively. As airlines have been raising prices throughout the year, tourists finally cut back air travel in the third quarter of 2005, resulting in a 2.7 percent decrease of ‘passenger air transportation.’

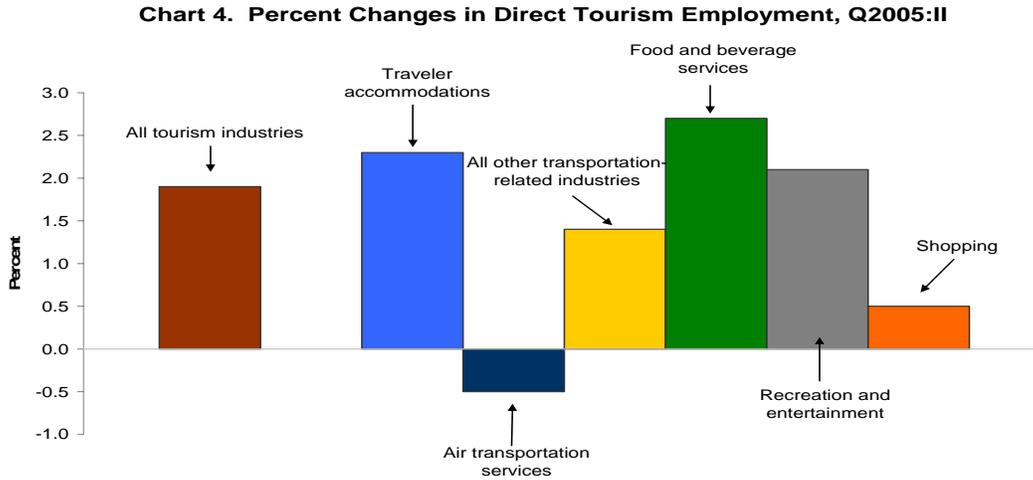
**Chart 3. Percent Changes in Direct Tourism Sales of Tourism Goods and Services, Q2005:III**



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## Direct Tourism Employment

In the second quarter of 2005, direct tourism-related employment grew 1.9 percent, with growth in the 'food and beverage services', 'traveler accommodations', and 'recreation and entertainment' industry groups of 2.7 percent, 2.3 percent, and 2.1 percent, respectively. In contrast, employment in the 'air transportation services' industry group continued to drift lower, declining 0.5 percent during the period. In the first quarter of 2005, direct tourism-related employment grew at 1.6 percent (revised).



These estimates are from the Travel and Tourism Satellite Accounts, which are supported by funding from the Office of Travel and Tourism Industries, International Trade Administration, U.S. Department of Commerce. The estimates of direct tourism output were derived from the annual input-output (I-O) accounts for 2003 and quarterly estimates of personal consumption expenditures from the NIPAs. The estimates of direct tourism employment were derived from the annual I-O accounts for 2003 and from the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics.

BEA's estimates of tourism-related sales include figures for both "direct" and "indirect" sales. Direct tourism-related sales comprise all output consumed directly by visitors (e.g., traveler accommodations, passenger air transportation, souvenirs); indirect tourism-related sales comprise all output used as inputs in the process of producing direct tourism-related output (e.g., toiletries for hotel guests, the various ingredients used to make the meals served airline passengers, and the plastic used to produce souvenir key chains). Indirect sales were estimated using commodity-by-commodity output multipliers from the Current Industry Analysis Division.

BEA's estimates of tourism-related employment measure both "direct" and "indirect" employment. Direct tourism-related employment comprises all jobs where the workers are engaged in the production of direct tourism-related output (e.g., hotel staff, airline pilots, and souvenir sellers); indirect tourism-related employment comprises all jobs where the workers are engaged in the production of indirect tourism-related output (e.g., employees of companies that produce toiletries for hotel guests, the various ingredients used to make the meals served airline passengers, and the plastic used to produce souvenir key chains). Indirect employment was estimated using industry-by-industry employment multipliers from the Regional Economic Analysis Division. Employment data are available five to six months after the end of the reference quarter.

\* \* \*

Next release – Travel and Tourism estimates for fourth quarter 2005 will be released on Monday, March 20, 2006 at 8:30 a.m. EST.

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**Table 1. Percent Change in Direct Tourism Sales of Tourism Goods and Services, Q2001:I - Q2005:III**  
 [Percent change from preceding period]

Tourism Goods and Services Group	Seasonally adjusted at annual rates																						
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	Q2005:II	Q2005:III
Traveler accommodations	-7.8	-0.1	0.8	9.4	-5.0	-12.9	-26.0	-21.7	38.7	14.2	-8.9	-3.5	-0.7	1.4	12.4	4.1	12.2	14.3	5.4	10.5	13.8	11.6	2.7
Passenger air transportation	-13.2	-5.3	4.6	7.1	-15.0	-4.6	-43.4	-48.2	73.6	14.5	-16.8	18.3	2.6	-7.5	28.0	7.8	9.8	5.7	-6.0	5.2	17.3	20.6	-2.7
All other transportation-related goods and services	-0.4	-1.3	3.8	5.3	7.7	0.8	-17.7	-19.7	11.5	15.1	-2.8	4.1	12.7	-8.9	9.7	0.9	9.6	10.7	-3.4	9.9	7.4	13.8	16.8
Gasoline	7.0	-8.4	10.3	18.4	-4.2	5.8	-27.6	-39.9	-17.7	63.1	1.3	3.4	59.3	-31.1	18.1	-10.5	52.2	53.8	-9.9	34.9	11.1	37.6	71.2
Food services and drinking places	0.9	5.0	4.4	8.8	5.1	-5.4	6.2	4.3	10.7	4.4	2.0	2.0	1.5	7.7	8.6	10.0	11.7	5.4	6.9	10.0	6.5	7.0	3.7
Recreation and entertainment	2.1	6.2	4.5	7.1	7.2	-2.7	-5.9	1.4	16.8	7.6	7.2	8.7	-4.2	8.4	4.3	8.8	12.9	1.9	5.6	2.4	8.3	0.2	-0.1
Shopping	-5.9	0.1	4.1	6.8	-16.2	-6.5	-5.2	-1.6	4.7	0.7	-0.4	4.8	4.9	1.6	11.8	4.2	9.3	5.7	5.3	7.3	6.1	6.6	6.5
<i>All tourism goods and services</i>	-4.5	0.4	3.7	7.4	-3.6	-5.2	-18.1	-16.9	23.4	9.6	-3.9	5.4	3.3	-0.4	12.4	5.7	10.8	7.5	1.9	7.8	9.8	10.3	4.8

**Table 2. Direct Tourism Sales of Tourism Goods and Services, Q2001:I - Q2005:III**  
 [Millions of dollars]

Tourism Goods and Services Group	Seasonally adjusted at annual rates																						
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	Q2005:II	Q2005:III
Traveler accommodations	81,246.4	81,126.4	81,781.9	89,451.3	87,720.8	84,744.5	78,596.7	73,923.5	80,226.3	82,930.9	81,030.9	80,317.5	80,168.2	80,449.3	82,840.6	83,669.3	86,103.2	89,026.9	90,197.9	92,477.2	95,515.0	98,182.8	98,840.0
Passenger air transportation	87,259.4	82,631.4	86,395.3	92,535.3	97,702.5	96,552.1	83,732.6	71,050.2	81,555.4	84,361.5	80,574.9	84,033.7	84,569.9	82,927.0	88,210.3	89,873.8	91,990.5	93,282.6	91,844.3	93,023.9	96,817.8	101,464.5	100,770.6
All other transportation-related goods and services	101,470.0	100,125.1	103,934.8	109,395.6	105,162.0	105,375.2	100,355.5	94,987.2	97,607.8	101,099.2	100,392.9	101,400.4	104,477.5	102,077.4	104,468.6	104,715.5	107,150.2	109,907.0	108,957.9	111,567.4	113,579.2	117,298.2	121,931.8
Gasoline	17,459.2	15,996.5	17,644.0	20,894.1	18,507.5	18,772.4	17,313.6	15,243.3	14,518.6	16,406.2	16,461.1	16,600.1	18,650.2	16,989.6	17,711.0	17,225.3	19,133.1	21,307.6	20,761.9	22,373.9	22,970.1	24,880.0	28,458.3
Food services and drinking places	83,730.3	87,943.6	91,804.5	99,909.6	83,742.2	82,596.9	83,843.4	84,738.6	86,910.1	87,853.2	88,284.0	88,727.3	89,049.3	90,712.6	92,611.5	94,844.4	97,507.7	98,790.2	100,457.7	102,883.0	104,510.6	106,297.6	107,277.9
Recreation and entertainment	60,591.6	64,336.4	67,216.4	71,955.8	61,310.9	60,899.1	59,976.1	60,180.2	62,567.9	63,727.9	64,838.4	66,211.5	65,505.8	66,837.3	67,541.3	68,981.1	71,108.6	71,439.9	72,426.3	72,848.6	74,314.6	74,348.6	74,330.6
Shopping	77,794.3	77,891.8	81,090.1	86,634.3	79,376.8	78,061.4	77,023.4	76,715.4	77,598.1	77,742.7	77,660.1	78,566.6	79,504.8	79,828.4	82,091.4	82,936.0	84,805.2	85,983.8	87,095.9	88,652.4	89,970.3	91,418.5	92,861.0
<i>All tourism goods and services</i>	<i>492,091.8</i>	<i>494,054.7</i>	<i>512,222.8</i>	<i>549,882.1</i>	<i>515,015.1</i>	<i>508,229.2</i>	<i>483,527.8</i>	<i>461,595.2</i>	<i>486,465.5</i>	<i>497,715.3</i>	<i>492,781.1</i>	<i>499,257.0</i>	<i>503,275.5</i>	<i>502,832.1</i>	<i>517,763.7</i>	<i>525,020.2</i>	<i>538,665.5</i>	<i>548,430.3</i>	<i>550,980.0</i>	<i>561,452.5</i>	<i>574,707.6</i>	<i>589,010.1</i>	<i>596,011.9</i>

**Table 3. Total Tourism-Related Sales of Tourism Goods and Services, Q2001:I - Q2005:III**  
 [Millions of dollars]

Tourism Goods and Services Group	Seasonally adjusted at annual rates																						
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	Q2005:II	Q2005:III
Traveler accommodations	124,008.5	123,825.4	124,825.8	136,531.9	133,890.6	129,347.7	119,964.3	112,831.4	122,451.5	126,579.7	123,679.6	122,590.7	122,362.9	122,792.0	126,441.9	127,706.7	131,421.7	135,884.2	137,671.4	141,150.4	145,787.1	149,859.0	150,862.2
Passenger air transportation	144,686.2	137,012.4	143,253.3	153,434.3	162,002.1	160,094.6	138,838.4	117,809.5	135,228.3	139,881.1	133,602.5	139,337.6	140,226.7	137,502.6	146,262.9	149,021.2	152,531.0	154,673.3	152,288.5	154,244.4	160,535.2	168,239.9	167,089.3
All other transportation-related goods and services	171,642.7	169,179.6	175,675.0	185,395.8	177,916.5	178,464.4	169,885.8	160,304.3	164,809.3	170,866.3	169,618.0	171,424.7	176,757.2	172,374.8	176,603.9	176,964.0	181,392.1	186,340.3	184,600.0	189,251.0	192,793.5	199,248.7	207,412.2
Gasoline	31,807.4	29,142.7	32,144.2	38,065.2	33,717.3	34,199.8	31,542.1	27,770.5	26,450.2	29,889.2	29,989.2	30,242.3	33,977.3	30,952.0	32,266.1	31,381.4	34,857.0	38,818.5	37,824.4	40,761.2	41,847.4	45,326.8	51,845.8
Food services and drinking places	156,458.2	164,331.3	171,545.6	186,690.9	156,480.4	154,340.4	156,669.7	158,342.4	162,400.1	164,162.2	164,967.2	165,795.7	166,397.4	169,505.5	173,053.6	177,226.0	182,202.6	184,599.1	187,715.1	192,246.9	195,288.2	198,627.4	200,459.3
Recreation and entertainment	99,661.9	105,870.8	110,612.8	118,342.6	100,855.0	100,149.7	98,636.6	99,006.3	102,945.2	104,866.5	106,665.1	109,006.4	107,809.4	109,976.7	111,153.1	113,512.2	116,966.9	117,522.1	119,106.7	119,774.6	122,191.2	122,134.6	122,199.3
Shopping	161,384.8	161,587.3	168,222.2	179,723.6	164,667.7	161,939.1	159,785.7	159,146.7	160,977.8	161,277.8	161,106.4	162,987.1	164,933.3	165,604.7	170,299.2	172,051.5	175,929.1	178,374.1	180,681.2	183,910.1	186,644.2	189,648.3	192,640.9
<i>All tourism goods and services</i>	<i>857,842.3</i>	<i>861,806.7</i>	<i>894,134.8</i>	<i>960,119.2</i>	<i>895,812.4</i>	<i>884,335.9</i>	<i>843,780.5</i>	<i>807,440.6</i>	<i>848,812.2</i>	<i>867,633.6</i>	<i>859,638.9</i>	<i>871,142.2</i>	<i>878,486.9</i>	<i>877,756.2</i>	<i>903,814.4</i>	<i>916,481.6</i>	<i>940,443.4</i>	<i>957,393.0</i>	<i>962,062.8</i>	<i>980,577.5</i>	<i>1,003,239.4</i>	<i>1,027,757.9</i>	<i>1,040,663.2</i>
<i>Percent change at annual rates</i>	<i>-4.4</i>	<i>0.5</i>	<i>3.8</i>	<i>7.4</i>	<i>-3.9</i>	<i>-5.0</i>	<i>-17.1</i>	<i>-16.1</i>	<i>22.1</i>	<i>9.2</i>	<i>-3.6</i>	<i>5.5</i>	<i>3.4</i>	<i>-0.3</i>	<i>12.4</i>	<i>5.7</i>	<i>10.9</i>	<i>7.4</i>	<i>2.0</i>	<i>7.9</i>	<i>9.6</i>	<i>10.1</i>	<i>5.1</i>

**Table 4. Percent Change in Direct Tourism Employment, Q2001:I - Q2005:II**

[Percent change from preceding period]

Tourism Industry Group					Seasonally adjusted at annual rates																		
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	Q2005:II	
Traveler accommodations	-2.6	-3.4	-0.8	1.1	-3.1	-4.6	-4.0	-16.7	0.5	4.4	-0.7	-1.3	0.0	-4.9	0.4	2.5	1.3	1.3	1.8	1.9	1.4	2.3	
Air transportation services	-0.7	-8.5	-3.8	-0.9	1.0	-2.4	-3.9	-23.3	-15.4	5.3	1.0	-1.7	-4.7	-10.0	-5.9	-1.0	2.7	1.6	-2.3	0.9	-0.8	-0.5	
All other transportation-related industries	-0.4	-5.8	-5.8	-1.7	6.0	-0.5	-3.6	-15.5	-3.9	-2.7	-3.6	-5.1	-8.4	-7.6	-5.5	-0.7	-2.3	0.6	0.5	0.4	0.0	1.4	
Food and beverage services	-0.8	2.5	-0.3	2.5	-2.8	-0.6	0.2	1.0	6.0	3.8	1.3	0.2	-3.9	-0.5	1.9	2.7	3.5	2.0	3.1	3.2	3.4	2.7	
Recreation and entertainment	1.9	-0.3	-0.9	2.4	-2.3	0.6	2.4	5.2	-8.5	3.0	1.2	-0.4	-4.1	-1.1	0.3	0.8	5.9	2.4	1.4	3.4	0.9	2.1	
Shopping (Retailers)	-4.4	-3.7	-3.0	-0.2	-4.5	-6.6	-6.0	-5.2	-2.1	-2.1	-2.9	-3.5	-4.9	-2.8	-1.2	0.3	-0.1	0.8	-0.2	0.1	1.7	0.5	
All other industries	-1.9	-2.4	-0.7	1.3	-2.7	-3.3	-3.0	-1.7	-6.2	0.9	-0.2	-0.3	-1.3	-1.3	-1.0	0.6	2.3	2.2	1.7	2.6	2.1	2.0	
<i>All tourism industries</i>	-1.3	-2.2	-1.8	1.0	-1.6	-2.3	-2.3	-8.6	-1.7	2.5	-0.3	-1.4	-3.6	-3.7	-0.7	1.4	2.1	1.5	1.4	2.1	1.6	1.9	

**Table 5. Direct Tourism Employment, Q2001:I - Q2005:II**

[Thousands of employees]

Tourism Industry Group					Seasonally adjusted at annual rates																		
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	Q2005:II	
Traveler accommodations	1,370	1,323	1,313	1,327	1,405	1,388	1,374	1,313	1,315	1,329	1,327	1,322	1,322	1,306	1,307	1,316	1,320	1,324	1,330	1,336	1,341	1,348	
Air transportation services	595	545	524	519	611	607	601	562	539	546	548	545	539	525	517	516	519	521	518	519	518	518	
All other transportation-related industries	700	660	621	611	711	710	704	675	668	664	658	649	635	623	614	613	609	610	611	612	612	614	
Food and beverage services	1,595	1,635	1,631	1,672	1,595	1,593	1,593	1,597	1,621	1,636	1,641	1,642	1,625	1,624	1,631	1,642	1,656	1,664	1,677	1,690	1,704	1,716	
Recreation and entertainment	597	596	590	604	593	594	597	605	591	596	598	597	591	589	590	599	599	603	605	610	612	615	
Shopping (Retailers)	567	546	529	528	580	570	562	554	551	548	544	539	533	529	527	528	527	528	528	528	531	531	
All other industries	201	196	195	197	203	201	200	199	196	196	196	196	195	195	194	194	196	197	197	199	200	201	
<i>All tourism industries</i>	5,624	5,500	5,402	5,459	5,697	5,664	5,631	5,505	5,481	5,515	5,511	5,491	5,440	5,389	5,380	5,399	5,427	5,447	5,466	5,494	5,517	5,542	

**Table 6. Total Tourism-Related Employment, Q2001:I - Q2005:II**

[Thousands of employees]

Tourism Industry Group					Seasonally adjusted at annual rates																		
	2001	2002	2003	2004	Q2001:I	Q2001:II	Q2001:III	Q2001:IV	Q2002:I	Q2002:II	Q2002:III	Q2002:IV	Q2003:I	Q2003:II	Q2003:III	Q2003:IV	Q2004:I	Q2004:II	Q2004:III	Q2004:IV	Q2005:I	Q2005:II	
Traveler accommodations	1,686	1,628	1,616	1,634	1,729	1,709	1,692	1,616	1,618	1,636	1,633	1,627	1,627	1,607	1,609	1,619	1,624	1,629	1,637	1,644	1,650	1,659	
Air transportation services	1,054	965	928	920	1,082	1,075	1,065	996	955	968	970	966	954	930	916	913	919	923	918	920	918	917	
All other transportation-related industries	1,208	1,141	1,085	1,071	1,226	1,226	1,215	1,166	1,154	1,146	1,138	1,126	1,107	1,087	1,073	1,072	1,067	1,070	1,073	1,075	1,076	1,081	
Food and beverage services	2,132	2,186	2,180	2,236	2,133	2,130	2,131	2,136	2,167	2,188	2,195	2,195	2,174	2,171	2,181	2,196	2,215	2,225	2,242	2,260	2,279	2,295	
Recreation and entertainment	878	877	870	890	872	873	878	890	870	878	881	880	871	869	869	871	883	888	891	897	899	904	
Shopping (Retailers)	968	927	896	889	997	976	957	942	937	931	924	916	905	896	892	890	889	889	888	887	889	889	
All other industries	343	336	333	337	346	344	341	340	335	336	336	336	334	333	332	332	334	336	337	339	341	343	
<i>All tourism industries</i>	8,270	8,060	7,907	7,975	8,384	8,331	8,278	8,087	8,037	8,082	8,076	8,047	7,972	7,893	7,871	7,893	7,931	7,961	7,985	8,023	8,052	8,087	
<i>Percent change at annual rate</i>	-1.5	-2.5	-1.9	0.9	-1.9	-2.5	-2.6	-8.9	-2.5	2.3	-0.3	-1.4	-3.6	-3.9	-1.1	1.1	2.0	1.5	1.2	1.9	1.5	1.7	